



Code of Conduct

Executive Chairman's Message

Dear SCILEX Colleagues,

Trust, honesty, fairness, transparency and compliance with the laws, regulations and company policies are the core principles of our Company. Our success as a business and the success of SCILEX Pharmaceuticals, Inc. depends on our ability to build trusting relationships with our customers, suppliers, business partners, regulators and patients. Our business model is designed to be fast moving and competitive. However, within this fast paced environment, we must conduct our business activities in an honest, open and fair manner. Therefore, we must be uncompromising in our focus to become the global leader committed to social, environmental, economic, and ethical responsibility. The pressure to succeed, both on an individual and company level, never absolves us of the responsibility to do the right thing.

SCILEX's *Code of Conduct* is written to help you make the right decisions and while it does not provide information on every policy at SCILEX, it is intended to guide you in your day-to-day interactions. The *Code of Conduct* provides the general standards by which all Company employees should assess the propriety of their actions. These standards provide safeguards to avoid either an appearance of, or actual, misconduct. Every employee has an obligation to comply with the *Code of Conduct* and corporate policies.

When there are no specific laws or Company policies to direct us, integrity and personal responsibility guide our decisions. Where there are legal requirements, we comply not only with the letter, but also with the intent of the law. A cornerstone of every company that succeeds over the long-term is sound company ethics. We are in business for the long-term and base our success on a foundation of integrity, honesty and ethics that are beyond reproach. You have my commitment that I will remain an active participant to ensure that we have such a company. I urge you to remain familiar with the content of this *Code of Conduct* and our corporate policies. I encourage you to seek assistance before acting when a question or concern arises to which there appears to be no clear answer.

SCILEX is committed to social, environmental, economic and ethical responsibility. Each one of us is personally accountable to following through on that commitment. Maintaining the highest standards is paramount to our long-term business success.

Thank you,
Dr. Henry Ji
Executive Chairman

Overview

This *Code of Conduct* summarizes important policies, standards and guidelines of the Company. The Company may amend or supplement this *Code of Conduct* at any time, without prior notification. “SCILEX”, “SCILEX Pharmaceuticals” and “Company” refer to SCILEX Pharmaceuticals, Inc. and its subsidiaries and affiliates.

This *Code of Conduct* and all relevant corporate policies and procedures apply to all officers and employees of SCILEX. This *Code of Conduct* also applies to members of the SCILEX Board of Directors when carrying out their duties as directors.

This *Code of Conduct* is intended to support you in making good decisions and taking the right actions, and to help you comply with the laws, rules and regulations that apply to our business.

You are expected to understand how this *Code of Conduct* applies to your own job, business decisions and activities. When in doubt, you have the responsibility to seek clarification from your manager, the Corporate Compliance Department, the Legal Department, or Human Resources.

If you become aware of or suspect misconduct, illegal activities, fraud or violations of the standards in this *Code of Conduct*, then you are responsible for immediately reporting such matters to your manager, the Corporate Compliance Department, the Legal Department, Human Resources manager, or through the SCILEX Ethics Hotline where reports can be made anytime (you may elect to remain anonymous) by phone or online at 1(844)SCILEX2 or www.scilex.ethicspoint.com. See “Implementation & Enforcement of the Code of Conduct” below.

Applicable Laws

Because of the nature of the business in which it operates, SCILEX is subject to various complex legal requirements. Although it is impractical to detail all relevant laws, below is a list of those that generally have the greatest impact on our business.

Anti-Kickback Statute and False Claims Act

In the U.S., federal and state governments have enacted laws to prevent, detect, and punish health care fraud and abuse. These laws include the Anti-Kickback Statute and the False Claims Act.

The Anti-Kickback Statute prohibits the offering of any inducement to a person to influence that person to recommend or purchase a health care product (including prescription medication) or service that may be reimbursed by Medicare, Medicaid, or other federal health care program. The Anti-Kickback Statute can be implicated regardless of one's intent. Our relationships with purchasers, physicians and other health care professionals potentially implicate the Anti-Kickback Statute.

The False Claims Act prohibits the submission of false or fraudulent claims, such as prescription drug pricing information, to the government. In addition, off-label marketing may also give rise to litigation based on the False Claims Act. This includes provisions under which individual citizens with evidence of fraud against the government may sue on behalf of the government to recover the lost funds (i.e. whistleblower lawsuits). The False Claims Act prohibits retaliation against persons who file whistleblower lawsuits.

Antitrust and Competition Laws

Antitrust laws around the world protect free competition. While these laws are complex and difficult to summarize, it is SCILEX's policy to compete fairly and legitimately and to comply with antitrust and competition laws. The antitrust laws prohibit agreements or actions that may restrain trade or reduce competition. Violations include, but are not limited to, agreements or understandings between SCILEX and its competitors: to fix or control prices, terms or conditions of sale; to boycott specified suppliers or customers; to allocate products, territories or markets; or to limit the production or sale of products. Special care must be exercised to see that any activities undertaken with representatives of other companies are not viewed and would not be construed as violations of antitrust law. In general:

- You may not agree with a competitor to set prices, terms or conditions of sale, production or distribution, or allocate products, territories, markets or customers.
- You may not give a competitor any details of prices, terms or conditions of sale, or any other competitive information that may be viewed as anticompetitive or illegal under the antitrust laws. This standard applies to dealings with trade associations

and business partners, such as customers and suppliers, except that discussions are permitted with customers and suppliers regarding SCILEX's sales to such customers or purchases from such suppliers.

- You may not agree with a competitor to refuse to deal with specific suppliers or customers.
- You may not enter into agreements with competitors to allocate the territories or markets in which competitive products are sold. Further, you may not agree with others as to companies to which products will not be sold.

Employment Laws

The Company is committed to a policy of complying with all applicable federal, state and local laws prohibiting discrimination on the basis of race, color, religion, sex, sexual orientation, national origin, ancestry, age, disability, Vietnam veteran status or any other classification protected by federal, state or local law. The laws prohibiting discrimination apply to all personnel practices including, but not limited to, recruitment, hiring, training, promotion, termination, leave of absence, compensation, discipline, evaluation, benefits, transfers, educational assistance and social and recreational activities.

Our equal opportunity policy is based on the following guidelines:

- You must follow all government guidelines regarding equal employment in every area of business.
- You must treat everyone with respect, no matter what their race, color, religion, sex, sexual orientation, national origin, ancestry, age, disability, Vietnam veteran status or any other classification protected by federal, state or local law.

Our goal is to establish and maintain a work environment free from discrimination and harassment of any kind. SCILEX is committed to fostering open communication throughout the organization to resolve any questions, concerns, problems or complaints, including those involving discrimination or harassment.

Environmental Laws

Governments at all levels and in many countries have enacted very strict laws for the protection of the environment. Enforcement authorities have shown a strong tendency to enforce criminal laws against corporations and their employees for serious environmental offenses. At SCILEX, we want to do our part to preserve our environment.

- You must exercise good judgment with regard to the environmental aspects of our use of buildings and real estate, our laboratory processes and our products.
- You must comply with all applicable environmental laws and with all permits and

approvals granted to the Company by environmental regulatory authorities.

- You must make an effort to reduce or eliminate the creation of waste at the source, to promote the recycling of waste material and to dispose of any remaining waste material in accordance with applicable environmental laws.

Government Contracting

Laws on government business are often complex and impose serious civil and criminal penalties for violations on both the Company and employees engaging in improper practices.

SCILEX must maintain honest and direct relationships when dealing with government agencies.

- You must follow all applicable laws and use high standards of honesty and integrity when dealing with any government agency.
- All information supplied by the Company to government agencies must be current, accurate and as complete as possible.

Federal and state healthcare reimbursement programs utilize the price and sales data provided to them by pharmaceutical manufacturers. All data provided to the government must be current, complete and accurate. The knowing submission of false, fraudulent or misleading information is actionable under the False Claims Act (*described above*). Accordingly, underlying assumptions used in connection with reported prices should be reasoned, consistent and appropriately documented.

Health and Safety

SCILEX is committed to providing a work environment that strives to protect employee health and safety. At the same time, health and safety are important aspects of job performance. In addition, there are extensive local and national laws designed to promote a safe workplace. These laws are strictly enforced. Employees have a responsibility to learn the safety procedures applicable to their jobs and to follow them. Employees must remain aware of risks in the workplace and try to reduce these risks. If needed, advice and guidance from the Legal Department or Human Resources can be provided.

International Trade

There has been an increased focus on compliance with international trade laws. There are several areas in which acts carried out in one part of the world can result in prosecution under the laws of another country. Some of the most applicable of these are:

Foreign Corrupt Practices Act

The Foreign Corrupt Practices Act prohibits offering or making corrupt payments to foreign government officials to obtain or retain business. In addition, the FCPA requires SCILEX

to keep accurate books and records and maintain an adequate system of internal accounting controls.

Customs Laws

Customs Laws, which apply to intracompany, as well as third-party transactions, require SCILEX to determine the correct classification, value and country of origin of all its imports. As an importer, we must be able to demonstrate by a documented, auditable trail that SCILEX exercises reasonable care in seeing that its imports comply with all applicable laws. This requires, at a minimum, the reporting of complete, accurate and detailed information regarding any imported product, its place (or places) of manufacture and its full cost. While specific rules may vary, virtually all countries in which we do business share these requirements. Violations are punishable by civil and criminal penalties.

Political Activity

It is in our best interests to maintain good relationships with public officials. The Government Affairs function is responsible for this activity. You should consult with Government Affairs before contacting elected or appointed officials on a matter related to the Company's business.

SCILEX complies with all applicable laws and regulations concerning political contributions. No corporate contributions for any candidate for any office shall be made by or on behalf of SCILEX outside of the Government Affairs Department.

We hope that all employees, officers and directors will exercise their rights of citizenship by voting and by making personal political contributions, if they wish to do so with their own funds.

In personal civic affairs, we must always make it clear that our views and actions are our own and not those of the Company. This includes making statements at public forums when we are acting in our own professional capacity as a conference or seminar speaker.

Prescription Drug Marketing Act of 1987 (PDMA)

PDMA was enacted to address certain prescription drug marketing practices that have not only contributed to violations of the False Claims Act but also to the diversion of large quantities of drugs into a secondary grey market. These marketing practices -- including the distribution of free samples, the use of coupons redeemable for drugs at no cost or low cost and the sale of deeply discounted drugs to hospitals and health care entities -- have helped fuel a multi-million dollar drug diversion market that provides a portal through which mislabeled, subpotent, adulterated, expired and counterfeit drugs are able to enter the nation's drug distribution system. All employees must adhere to PDMA.

Privacy

The internet, social media, and the increase in data privacy breaches have increased public attention on the protection of an individual's privacy. We advocate maintaining the privacy of an individual's personal information. Accordingly, all SCILEX employees must comply

with all applicable laws and regulations addressing privacy, including the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and applicable state laws.

Quality & Safety

SCILEX is committed to maintaining high standards of product quality and safety. Our careful attention to product quality has a direct and substantial effect on our reputation and performance and allows us to meet or exceed our customers' expectations.

- You must follow all regulatory requirements that relate to development, manufacture, testing, marketing and distribution of SCILEX products.
- You must report all adverse events within 24 hours of becoming aware of an adverse event to the Vice President, Development.

Due to the nature of our business, inspections by the government are required and to be expected. You must cooperate with and be courteous to all government inspectors, including the U.S. Food and Drug Administration, and provide them with the information they request during an inspection as required under applicable law. The Legal Department should be contacted to determine the appropriate scope of the information request.

Standards and Expectations

Our advertising and product labeling should always be truthful, balanced and not misleading. If we make specific claims about our products or the performance of our products, we should have a substantial basis to support those claims. We should not provide misinformation about any of the products, services or personnel of any of our competitors. The Company has adopted and expects its personnel to become familiar with, and adhere to, the PhRMA Code on Interactions with Healthcare Professionals.

SCILEX considers compliance with all laws and regulations to be a fundamental operating principle as to how we conduct our business. Therefore, it is imperative that our Personnel comply with applicable healthcare laws and follow Company policies that govern the way we promote our products and interact with our customers. Sales professionals and other personnel who interact with physicians, patients, advocacy providers, and governmental officials must be familiar with, and adhere to, the policies governing commercial and healthcare practices, as appropriate, as well as other applicable policies and procedures that cover their conduct at work.

Conflicts of Interest

A conflict situation can arise when one of us takes action or has interests that may make it difficult to perform our SCILEX work objectively and effectively. We must avoid any investment, interest or association that interferes or might interfere with the independent exercise of our own individual best judgment, and with our obligation to perform our responsibilities in the best interests of SCILEX.

In conducting business, SCILEX employees, officers and directors must abide by the following guidelines:

- You must deal with all suppliers, customers and all other persons or entities doing business with SCILEX in a completely fair and objective manner, without favor or preference based upon personal or financial relationship considerations.
- You must not accept from or give to any supplier, customer or competitor any gift or entertainment, except as permitted below.
- You must not do business on behalf of SCILEX with a member of your household or a close relative, unless the transaction has been disclosed, in writing, to the Corporate Compliance and Legal Departments, which have determined that the transaction is at arms-length term. A close relative would include a spouse, domestic partner, parent, parent-in-law, sibling, sibling-in-law, child or son/daughter-in-law, or stepparent, stepsibling or stepchild.
- You must not hold any employment, managerial, directorial, consulting or other position with any firm or company that is a competitor of SCILEX. Unless approved by the CEO or COO, employees must not, directly or indirectly, have a financial interest in any firm or company that is a competitor of SCILEX, if such financial interest represents a material percentage of the total net worth of the employee, or if such ownership creates a direct conflict of interest for the employee in connection with work the employee is performing for SCILEX.
- You must not, directly or indirectly, have a financial interest in or hold any employment, managerial, directorial, consulting or other position with any firm or company that does or seeks to do business with SCILEX, if such interest or position may influence any decision that you might make in the performance of your regular duties. You must disclose to your direct manager the existence of any such interest or position, whether actual or proposed. Your direct manager will review such case with the Corporate Compliance and Legal Departments, and they will determine whether the existence of such interest or position is or may be in conflict with this *Code of Conduct* or otherwise detrimental to the best interest of SCILEX. If they determine that such conflict or detrimental effect may occur, such steps as are necessary to correct the situation will immediately be taken.

Gifts

Providing or accepting gifts, gratuities or entertainment to/from people with whom SCILEX does business is generally not acceptable because it may potentially pose a conflict of interest by implying an obligation on behalf of the Company. Accepting gifts is generally not acceptable unless the gift:

- Is of modest value by local standards;
- Is not intended to improperly influence business decisions; and
- Is consistent with industry practices, all applicable laws and Company policies regarding interactions with health care professionals.

Speaking Engagements

SCILEX employees may receive requests to speak at external conferences. Our reputation with key stakeholders is critical to the organization's business success. Invitations to speak as a representative of the Company at external conferences should not be accepted without full disclosure to and approval by your manager and the Legal Department in advance thereof.

Competitive Information

It is entirely proper for us to gather information about our marketplace, including information about our competitors and their products and services. However, there are laws and limits to the ways that information can be acquired and used, especially information about competitors. In gathering competitive information, SCILEX employees must abide by the following guidelines:

- We may gather information about our competitors from sources such as published articles, advertisements, brochures, other non-proprietary materials, surveys by consultants and conversations with our customers, as long as those conversations are not likely to suggest that we are attempting to (a) conspire with our competitors, use the customer as a messenger, (b) gather information in breach of a customer's nondisclosure agreement with a competitor or through other wrongful means. You should be able to identify the source of any information about competitors. You may use an outside vendor to gather information.
- We must never attempt to acquire, or ask a third party to acquire, information through unlawful means, such as misrepresentation, deception, theft, spying, bribery or breach of a competitor's nondisclosure agreement.
- If there is any indication that information that you obtain was not lawfully received by the party in possession, you should refuse to accept it. If you receive any competitive information anonymously or that is marked confidential, you should not review it and should contact the Legal Department immediately.

The improper gathering or use of competitive information could subject you and the Company to criminal and civil liability, including violations of anti-trust laws (*described above*). When in doubt as to whether a source of information is proper, you should contact the Legal Department.

Confidential Information

We must safeguard the Company's confidential and proprietary information. This information is the property of the Company, and must be protected as such. In addition, we must maintain the confidentiality of information from other companies with which we have business relationships, including our suppliers, customers and collaborative partners, except when disclosure is legally mandated or specifically authorized by the Company. Unauthorized disclosure of confidential information is prohibited.

- You should not discuss confidential details about SCILEX products or practices with any unauthorized person. If you are not sure whether someone is authorized, ask your direct supervisor or the Legal Department.
- You should not discuss confidential information about customers with other customers or with anyone from another department within SCILEX who does not need this information.

Obligations of confidentiality also apply to communications with the press or other media. Revealing confidential information to the press or other media could impair the Company's business. All requests from the press or other media for information should be referred to the Legal Department.

Accounting & Recordkeeping

All SCILEX financial records and reports must be maintained according to accounting principles generally accepted in the United States, consistently applied. The reliability and integrity of SCILEX's financial information is critical to us preserving the trust of all of our constituents, including shareholders, customers, suppliers, consultants and employees.

- You must follow standard accounting practices for record keeping and financial reporting
- You must not give any false, misleading or incomplete information to anyone (external or internal) who is preparing or conducting any audit.

Retention of Business Records

SCILEX must maintain complete, accurate and high quality records which, as an asset of the Company, must be protected as any other asset.

Records are to be maintained for the period of their immediate use, unless longer retention is required for litigation purposes, historical reference, contractual obligations, regulatory or legal requirements. If you are uncertain whether records under your control should be preserved, please contact the Legal Department.

Implementation & Enforcement of the *Code of Conduct*

Responsibility for Compliance and Interpretation

Compliance with this *Code of Conduct* is the responsibility of each SCILEX director, officer and employee. The Corporate Compliance Department oversees and guides the organization with regard to *Code of Conduct* compliance matters.

Personal Responsibility to Report without Fear of Retaliation

We are committed to ethical and legal conduct that is compliant with all relevant laws and regulations. We are committed to correcting wrongdoing whenever it may occur in the organization. Each employee has an individual responsibility to report any allegations of misconduct. Employees who are aware of or suspect misconduct, illegal activities, fraud or violations of the standards in this *Code of Conduct* are responsible for reporting such matters immediately to their manager, the Corporate Compliance Department, the Legal Department, Human Resources, or through the SCILEX Ethics Hotline where reports can be made anytime by phone or online at 1(844)SCILEX2 or www.scilex.ethicspoint.com (you may elect to remain anonymous).

SCILEX will make every effort to maintain the confidentiality of the identity of any individual who reports possible misconduct. SCILEX has a zero-tolerance retaliation policy and will not allow any retribution, retaliation, or discipline of any employee for making a good-faith report of a suspected violation. However, any employee who deliberately makes a false accusation with the purpose of harming or retaliating against another employee, or who fails to report a matter of noncompliance, will be subject to disciplinary action.

Internal Investigation of Reports

SCILEX is committed to evaluating and confidentially investigating all reported concerns in a timely manner. The Corporate Compliance Department and/or the Human Resources Department will conduct investigations, recommend corrective or disciplinary action as necessary, and report investigative outcomes to the appropriate parties. All employees are obligated to cooperate with investigational efforts, including by being truthful in response to inquiries.

Discipline and Mandatory Sanctions

SCILEX will enforce this *Code of Conduct* by imposing penalties when it is violated. Any employee who has violated the law, this *Code of Conduct*, or Company policy will receive prompt and appropriate discipline, which may include termination of employment.

No provision of this *Code of Conduct* may be waived, unless such request for a waiver has been submitted to and approved by the Chief Compliance Officer and/or the General Counsel.

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